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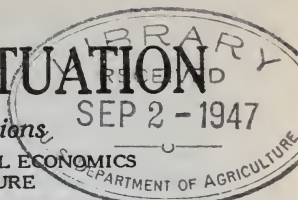


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# THE AGRICULTURAL SITUATION

*A Brief Summary of Economic Conditions*

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS  
UNITED STATES DEPARTMENT OF AGRICULTURE



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## DROUGHT AND HEAT CUT FEED CROPS

Drought and record heat waves again dominate the picture. From the Ohio Valley to the Rocky Mountains practically the whole interior farm and range territory has been scorched by the terrific heat. Whereas the drought of May hit mainly the wheat crop, this drought and heat of July have cut into the whole list of major crops, especially the vital feeds—corn, grass, and small grains—so that what 2 months ago was a threat is now a serious situation.

Although there is no likelihood that the human population will be short of foodstuffs, the livestock population over more than half the country is already short of feed. Thousands of weakened cattle and old ewes have died on the ranges. Not in two generations has such a widespread emergency movement of livestock been seen in the West in midsummer. The entire Southwest presents a scene of grim struggle to get feed and water enough for the herds to survive. The markets have been glutted with emergency shipments.

It is in this livestock situation that the country will feel the more lengthy effects of this summer's crop failures. Not only are the pastures burned brown but farmers now face the certainty of high-priced grain and scarce feed next winter. To the curtailment already accomplished in hogs is being added an enforced liquidation of cattle and sheep.

The heavy cut in corn supplies is partly offset by the reduction in number of hogs. Judging from present reports on pig production, the supply of pork coming to market in the year beginning with next October may be the smallest in 20 years.

The total acreage of field crops harvested will probably be the smallest in 25 years, due to acreage reduction programs plus the effect of the drought. The crops of corn, wheat, oats, barley, rye, and flax are expected to be the smallest harvested in this country in 30 years.

The production of wheat per capita of our population this year is the lowest for which there is any statistical record. Our winter wheat crop is slightly larger than last year, but spring wheat apparently will be only about half as large, and our total crop is estimated under half a billion bushels. Canadian estimates indicate a wheat crop there not much above last season's short crop. The European crop is down. Indications are that the world, excluding Russia and China, will produce about 400,000,000 bushels less wheat than last year, with the probable result that abnormal surplus stocks of wheat will cease to exist.

This country's commercial supplies of fresh vegetables and fruits, which are produced mainly around the coastal regions, are fairly plentiful this season. Early potatoes were abundant and prices declined to a low level in some producing sections. However, the July crop report forecast a total potato crop only a little larger than last season and about 5 percent less than average, which should leave a reasonably promising market prospect for growers.

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### THE LIVESTOCK AND FEED SITUATION IN THE DROUGHT TERRITORY

In the great livestock producing region westward from the Mississippi River to the Pacific Coast, taken as a whole, pastures and ranges on July 1 were the poorest on record for that date, and the indicated prospective supplies of hay, forage, and feed crops in relation to livestock numbers at this time of year were the smallest ever known. In nearly all States in this great area, even with very favorable temperature and rainfall conditions during the remainder of the growing season, supplies of all kinds of feed for the wintering of livestock will be much below average. Cattle and sheep numbers in many of the States west and southwest of the Corn Belt will have to be reduced materially or death losses next winter, assuming a winter of average length and severity, will be very heavy.

Most of the Corn Belt States will have enough feed for their present livestock numbers after the usual seasonal marketings are made during the remainder of the year, but they usually receive large numbers of cattle and lambs for feeding and stocking purposes from the western range States. With feed supplies no greater than now indicated, the Corn Belt will not be able to feed out the usual numbers of livestock from the other States unless its marketings of present livestock numbers during the remainder of the year are exceptionally large.

In the range States, however, the feed and grazing situation is so serious that these States will have to dispose of much larger than their usual numbers this fall in order to reduce their flocks and herds down to a reasonably safe wintering basis.

The feed situation at present is most serious as regards forage supplies (hay, straw, and fodder) and prospects for winter range in the areas where livestock get much of their winter feed from grass and browse. It is less serious as regards feed grain supplies, primarily because the production of hogs has been sharply reduced and hogs are the largest consumers of feed grains. The number of hogs to be fed out next fall and winter is the smallest in 20 years. In the case of other livestock, it is possible to make considerable adjustment by reducing the grain ration to a maintenance basis, although this would result in reduced production of meats, milk, and eggs.

In the matter of roughage, however, adjustment is more difficult except in areas where reserves in the form of straw, corn fodder, and other roughage usually not fully utilized, are available. Where such reserves are not available, there is little that can be done except to reduce livestock numbers or face the risk of heavy losses.

In order to show the relative situation as between feed grains and roughage, the numbers of livestock (excluding poultry) in the different States have been converted to two kinds of animal units, one being

a grain consuming unit and the other a hay, pasture, and forage unit. These units are based upon January 1 numbers except in the case of hogs, where the number of pigs raised during the year is used. Comparing the 5-year 1929-33 average production of feed grains per grain-consuming animal unit with the indicated production per animal unit in 1934 (as forecast by the July 1 crop report) shows that for the whole country the supply per animal unit this year is 90 percent of the 5-year average.

By regions, the percentages are North Atlantic 100, South Atlantic 105, East North Central 90, West North Central 82.5, South Central 100, Western 78. The comparison with last year, when feed grain production per animal unit was the smallest in many years, is more favorable than that made with the 5-year average, but it should be kept in mind that stocks of all kinds of feed and forage now on hand are much smaller than those of a year earlier. Furthermore, during the last 10 months prices of feed grains have been high in relation to livestock prices, and this was an important factor in causing the reduction in the 1934 pig crop and in reducing the demand for feeder cattle this spring.

In the case of hay, pasture, and forage units, a similar comparison can only be made as between the 5-year average supply of hay per unit and the prospective supply this year. For the country as a whole, the supply per animal unit this year is only 70 percent of the 5-year average. By regions, the percentages are North Atlantic 84, South Atlantic 98, East North Central 64, West North Central 51, South Central 88, Western 83.

Although a part of the disparity in the two comparisons is due to the fact that actual grain production (assuming a corn crop as large as forecast by July 1 conditions) will be a larger proportion of the 5-year average than hay production will be of its 5-year average, the principal cause is that grain consuming animal units (because of decreased hog production) are 13 percent smaller than the 5-year average, while hay, pasture, and forage units are 5 percent larger.

The seriousness of the situation in the case of hay and pasture units, however, cannot be entirely shown by the comparison of supplies of hay per unit. A large part of the feed supply, both fall and winter, of these animals comes from farm pastures and winter ranges, supplemented by straw, fodder, and browse. There is no method by which pasture and range feed in two periods can be compared in terms of measurable units of feed. The only available comparisons are between the July 1 condition this year and the average for that date, consideration being given to the fact that pasture animal units this year are above the 5-year average.

Since no estimates are made of straw and fodder production, comparison of amounts per animal unit cannot be made, but with small grain production this year the smallest in more than 40 years, the amount of straw is very short, especially since there is practically no old straw on farms, following the short small grain crops of last year and the heavy feeding in the past spring.

There is a material difference among States and areas within States in the amount of improvement that can take place in the feed situation during the remainder of the season. Where large acreages of emergency forage crops have been planted, favorable growing weather until the middle of September can do much to offset the shortage of

usual roughages, since the same kind of weather will insure a good growth of corn and large supplies of corn fodder. Abundant early fall rains can also produce a large amount of feed on meadows, pastures, and winter grain fields. These possibilities apply generally to all areas east of the Great Plains.

But in the northern Great Plains and in the Mountain States, where hay, straw, and winter range furnish the bulk of the winter feed, the possibilities of improving the situation during the remainder of the year are much more limited. Hay and straw supplies in this area are definitely short. In most years heavy fall rains in this area do not improve winter range feed, although they may make more feed available by replenishing supplies of stock water. This area, therefore is facing a feed shortage even under the most favorable conditions that might develop, and it is here that the greatest adjustments of cattle and sheep numbers to feed supplies must be made to avoid heavy winter losses.

Summarizing the general situation, these facts stand out sharply: Even after allowance for the very large reduction in hog numbers, feed grain supplies in relation to total livestock numbers will be below average in the States west of the Appalachian Mountains and north of the Ohio River to the Mississippi River, and much below average in nearly all States west of the Mississippi. Pasture and range conditions are the lowest ever reported on July 1 for nearly all the above States. Hay production will be the smallest in 40 years and in relation to hay consuming livestock will be the shortest ever known. Straw supplies also will be the smallest for many years.

In the general farming areas, favorable growing conditions will insure a fair corn crop and a large production of emergency forage crops which will offset in considerable part the short supplies of hay and straw.

In Texas and the Southwest, good fall rains can still make winter feed.

In most of the Great Plains area and in the Mountain and Intermountain States, possibilities of improving present unfavorable feed prospects are limited. Heavy marketings of cattle and sheep from these areas will be necessary, and a similar necessity in all the States which have been in the drought area will develop unless weather conditions during the remainder of the growing season are such as to insure a fair corn crop and a large production of emergency feed crops.

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#### MARKED CHANGES IN MEAT SUPPLIES IN PROSPECT

The very abnormal feed crop and pasture situation which has become progressively worse since early last summer is expected to have a marked effect on meat supplies during the next 18 months. Relatively small supplies of pork products during the remainder of 1934 will be offset by very large supplies of beef and lamb resulting from the heavy liquidation of cattle and sheep because of the widespread drought conditions. During 1935, however, supplies of all meats are expected to be considerably smaller than in 1934 and in other recent years. Decreases will be especially pronounced in pork and in supplies of the better grades of beef and of grain-fed lambs.

Pork constitutes more than half of the meat consumed in this country and the supply of this commodity promises to be unusually small this coming winter and throughout all of next year. The total for the 12 months beginning with next October may be the smallest in 20 years if the available records on pig production this year prove to be a reliable indicator of forthcoming market supplies. The 1934 spring pig crop, as indicated by the June pig survey conducted by the Bureau of Agricultural Economics, was 28 percent smaller than the spring pig crop of last year. These pigs will be marketed largely from next October to early April 1935. If corn should be relatively plentiful next fall and winter, hogs would probably be fed to heavier weights than usual and these weight increases would offset in part the decrease in the number of hogs raised, but the outlook for the corn crop near the end of July indicates that corn will be scarce. Weather conditions throughout the month were generally unfavorable for the growing crop and there is every indication that the total harvest will be considerably smaller than that indicated by the conditions prevailing as of July 1.

The June pig survey indicated a prospective decrease of 38 percent in the number of sows to farrow this fall. If the decrease proves to be as great as indicated and the number of pigs saved per litter is about average, the total 1934 pig crop will be the smallest in at least 20 years, and the Federally inspected slaughter of hogs from this crop may not exceed 37,000,000 head. The slaughter from the 1932 crop totaled more than 47,000,000 head, and that from the 1933 crop is expected to be about 44,000,000 head. In addition to the Federally inspected commercial slaughter, the 1933 pig crop also contributed the 6,000,000 pigs slaughtered early last fall in connection with the emergency hog production control program of the Agricultural Adjustment Administration. The very unfavorable prospects for the corn crop in the last 6 weeks, together with other unfavorable factors, very likely have caused hog producers to take further steps to reduce the 1934 fall pig crop rather than increase it above the intentions indicated in the June survey.

The decrease in the pig crop this year is partly the result of the hog production control program, although the very unfavorable relationship between hog prices and corn prices that has existed since May 1933 has been a major contributing factor. During all months but one since May last year the hog-corn ratio has been below 10 and since March of this year it has been below 8. In June it reached 6.3 which is the lowest ratio reported since records were first kept in 1910. In all previous periods when the ratio was maintained below 10 for several months, as it has been in the past year, hog growers reduced production greatly and slaughter supplies of hogs during the following 18 to 24 months were much below average. An outstanding example of such reduction was when Federally inspected slaughter of hogs dropped from nearly 54,000,000 head in the marketing year, 1923-24, to 46,000,000 in 1924-25 and down to about 41,000,000 in 1925-26. This curtailment in slaughter followed a period of low hog-corn ratios extending from March 1923 to February 1925. Hog slaughter was also reduced in 1902 and 1903 following the very short corn crop of 1901.

Slaughter of cattle and calves during the first half of this year was unusually large and is expected to be very large during the

remainder of the year. Federally inspected slaughter of cattle in the first 6 months was about 26 percent larger than in the corresponding period of both 1933 and the 5-year average. Calf slaughter in this period was increased about 32 percent over that of a year earlier and 34 percent over the 5-year average. Slaughter of cattle began increasing in the spring of 1933 following the downward trend which started in 1926. The upturn in slaughter during the last 15 months reflects the increase in cattle numbers on farms that has been under way since 1928. Heretofore there has always been a lag of about 3 years between the beginning of the upturn in cattle numbers on farms and the beginning of the increase in cattle slaughter following the increase in numbers. The lag this time was much longer, amounting to 5 years instead of 3, and the greater interval apparently was caused by the sharp drop in cattle prices, especially those of cows, during the period of the business depression.

The period of increasing cattle slaughter following an increase in numbers usually is 4 to 7 years in length, and since 1934 is the second year of the current upswing in slaughter, it would be logical under normal conditions to assume that another increase would occur next year. In view of the abnormal situation caused by the drought, however, cattle slaughter next year will most likely be smaller than of 1934. Beginning in June the Agricultural Adjustment Administration started purchasing cattle and calves in the drought areas as part of its program for drought relief and the reduction of the cattle surplus, and by July 25 had purchased about 1,500,000 head, of which less than half had been slaughtered to that date. Buying and slaughtering operations for the Government are likely to be continued on a large scale during the remainder of the year. In addition, slaughter for commercial distribution is expected to be very much larger than average because of the forced marketings of cattle from drought areas. This heavy slaughter for both Government and commercial account during the second half of 1934, together with the large commercial slaughter in the first half of the year, will no doubt reduce total cattle numbers considerably by January 1, 1935.

The prospective shortage in feed crops this fall undoubtedly will result in much fewer cattle being placed on feed for next winter and spring than have been fed out in previous winters. Furthermore, the length of the feeding period probably will be much shorter than usual, consequently there will be fewer well-finished cattle in the market supply and a larger proportion of the short-fed kinds. With fewer cattle placed in feed lots, and with Government purchases removing large numbers of the lower grades that might be carried over and marketed next year, the total supply of cattle for slaughter in 1935 is expected to be considerably smaller than that of 1934. The supply of well-finished steers undoubtedly will be much smaller than average and very much smaller than the unusually large supplies which came on the market in late 1933 and the first half of 1934.

The situation in the cattle market next year will be very much like that of 1925 and 1902 following the very short corn crops in 1924 and 1901. Cattle feeding was reduced because of feed scarcity and supplies of well-finished cattle for market were greatly decreased with the result that prices of such cattle rose to very high levels. Prices of the lower grades, however, made very little advance and this resulted in an unusually wide price spread between prices of the better grades and the inferior kinds.

The sheep and lamb situation is very much like that of cattle. The drought is making it necessary for sheepmen to reduce flock numbers and will cause a large proportion of this year's lamb crop to be marketed in thin condition. Lamb feeding next winter may be greatly curtailed because of feed scarcity, although the favorable returns from last winter's feeding operations are an incentive to feed increased numbers.

The Agricultural Adjustment Administration has about completed arrangements to purchase breeding ewes from sheepmen in drought areas so as to aid them in reducing flock numbers in line with available pasture, feed, and water in sheep producing territory. These purchases undoubtedly will result in a considerable decrease in breeding stock through the western sheep country and will thus most likely result in decrease in lamb production next year.

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### THE GRAIN MARKET SITUATION

The grain situation at the beginning of the new marketing season differs materially from that of a year ago. Prospects for wheat are the poorest in many years and the smaller harvests in the United States and most European countries seem likely to more than offset the relatively heavy stocks accumulated from recent good harvests, with the result that world supplies may be reduced to nearly normal proportions. Rye and feed grain crops are also much smaller this season both in this country and in Europe. From present indications, domestic supplies of feed grains will be much below normal domestic utilization. Wheat prices, although still below the peak reached last July, have advanced sharply in United States and Canadian markets and at Liverpool. Feed grains have strengthened as a result of the short domestic crops of oats and barley and the spreading of the drought farther into the Corn Belt.

Prospects for the new United States wheat crop at the first of July were the poorest in many years, with total production forecast at approximately 484,000,000 bushels compared with last year's small crop of 528,000,000 bushels. More winter wheat was produced this season than in 1933 but the crop of spring wheat promises to be only about half of that of last season. Prospects in Canada are better than a year ago but heat and drought were threatening further damage toward the close of July and trade estimates placed the prospective outturn at only a little above last season's short crop.

In Europe, outside of Russia, conditions at the middle of July indicated a reduction of about 340,000,000 bushels from last year's record crop. Some reduction is indicated in all the principal wheat-producing countries except Spain. Grain crops in southern Russia are expected to be much smaller than last year, although rains during June were helpful to late-sown grains. Taken together, the Northern Hemisphere crop this season, exclusive of Russia and China, will probably be around 300,000,000 bushels smaller than in 1933. Wheat crops in the Orient are larger than last year and of good average quality. The Chinese crop is above that of last season, although

drought in recent weeks has cut yields below earlier prospects. A record outturn is reported in Japan.

It is still too early to determine the wheat outturn in the Southern Hemisphere but prospects at the first of July indicated smaller harvests than in 1933. Seeding of wheat in the Argentine is nearing completion and trade advices place the area well below that of a year ago. Beneficial rains have improved the outlook somewhat but moisture is still deficient in some sections. The Australian crop has suffered from drought, and trade agencies place the 1934 crop well below the 1933 harvest.

Although the world wheat crop may be around 400 million bushels below last season's harvest, world stocks to be carried over from the 1933 crop will probably be little different from last year, when they were record. Reduced supplies in North America are apparently more than offset by increased stocks in Europe and the Southern Hemisphere. The carry-over of old wheat in the United States appears to be 90 to 100 million bushels smaller than a year ago, and stocks in Canada are about 10 million bushels under those at the corresponding time last season. About 75 million bushels more wheat remained in Argentina and Australia at the first of July than a year ago, while stocks of old wheat in Europe were estimated to be 80 to 100 million bushels larger than at the beginning of the 1933-34 season.

#### WORLD WHEAT TRADE AT LOW LEVEL

World trade in wheat dropped to the lowest level of post-war years during the season just closed through the operation of high tariffs and trade regulations, and these continue to be a dominating influence in world markets. Germany has established a government monopoly for all trade in wheat and flour. France, with heavy wheat stocks, has recently lowered the extraction percentage in flour milling and provided a bounty of \$1.62 per bushel on wheat exports up to about 4 million bushels, but retains a minimum tariff of \$1.41 per bushel on wheat imports. In Italy, millers in certain northern provinces are required to utilize 70 percent of wheat stored under government regulations, while in other provinces only 40 percent is required. The Italian tariff on wheat imports remains at \$1.41 per bushel. Some progress has been made during the last season toward relaxation of restrictive measures through reciprocal trade agreements.

A feature in domestic wheat markets at the beginning of the new year was the heavy early marketings and the high percentage of protein in the early receipts. The wheat crop matured early because of the dry weather, and new wheat was received in central and southwestern markets at the earliest date in recent years. The average protein of the inspections at Kansas City for the 1933-34 season was 13.34 percent, the highest on record. Early tests of the 1934 crop indicated an even higher protein content than last year. Premiums for protein have become rather insignificant as a result of the plentiful supply.

Domestic wheat prices advanced rather steadily during July with no. 2 hard winter wheat quoted July 24 at \$1 or more per bushel at the principal markets. Spring wheat advanced more than winter wheat, with ordinary protein dark northern spring bringing up to \$1.10 per bushel at Minneapolis July 24. Durum wheat remained

independently firm as a result of light supplies of old crop wheat and prospects of a very poor harvest this season. While ordinary protein amber durum was quoted at \$1.05-\$1.10 per bushel at Minneapolis July 24, high protein milling types were bringing \$1.35-\$1.40 per bushel. Pacific coast markets strengthened during the month but gains were not so great as in the Central West because of the moderate stocks of old wheat and relatively favorable prospects for the new crop in that area.

#### SUPPLIES OF FEED GRAINS SHORT

Feed grain supplies, from present indications, will be much smaller than last season. Stocks of old grain have been reduced to low levels and new crop conditions indicate the smallest outturns in recent years. The July 1 forecast placed the 1934 corn crop at only 2,113,000,000 bushels. Farm stocks were down to 470,000,000 bushels and market stocks to 38,000,000, giving a prospective total supply for the remainder of the current season and for next year of only 2,621,000,000 bushels compared with 3,020,000,000 for the corresponding period last year. The oats harvest promises to be the smallest in many years, and with farm and market stocks reduced to small proportions, indicates a total supply of slightly less than 700,000,000 bushels against 965,000,000 bushels last season. This is much below the average domestic utilization of around 1,200,000,000 bushels for the last 5 years. The barley crop is estimated at only 125,000,000 bushels, with 11,000,000 bushels in market stocks, giving a total supply, exclusive of farm stocks, of 136,000,000 bushels, compared with about 170,000,000 bushels last season. During the last 5 years domestic utilization has averaged about 260,000,000 bushels, which emphasizes the prospective shortage this year.

Comparing the indicated production of feed grains per animal unit to be fed in 1934 with the 5-year average, 1929-33, production of feed grains per grain consuming animal unit shows that for the whole country the supply of feed grains per animal unit is only 90 percent of the 5-year average. In the North Atlantic and South Central States the supply is up to average and in the South Atlantic is about 5 percent above average. In the East North Central States, however, grain supplies are only about 90 percent of average compared with animal units, in the West Central 82.5 percent, and in the Western States only 78 percent of average.

Feed grain prices advanced rather steadily during July as drought and extremely hot weather caused further damage to the corn crop. Rapidly failing pastures increased the use of feed grains, and demand became more active. Corn prices gained around 10 cents per bushel during the month and were 20 cents to 25 cents per bushel higher at the principal central western markets July 24 than at the corresponding date last year. Oat markets also strengthened but prices gained only about 2 cents per bushel, since oats are still relatively high compared with corn, with demand only moderate. At the last of July, however, oats were bringing 10 cents to 15 cents per bushel more than a year ago. Barley also advanced during July under the influence of small offerings and higher corn prices. Barley of good malting quality is scarce, and choice lots suitable for malting purposes

are bringing about twice the price of feed barley, whereas a year ago malting types were bringing about 10 cents to 15 cents per bushel more than feed barley. Feed barley was quoted at the last of July only about 10 cents per bushel more than at the corresponding time last season.

Supplies of feed grains in important producing areas outside of the United States, from present indications, will be well below those of last season. Official estimates of production are available for only a few countries but prospects are less favorable than a year ago in Canada and European countries.

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### THE FRUIT AND VEGETABLE SITUATION

No real shortage of fruits and vegetables as a group seems likely this season in spite of the drought. Car-lot produce shipments, so far, are about one-fifth greater than a year ago to date but about the same as those of 2 years ago although considerably less than were shipped 3 years ago. Shipment figures have shown response to varying market conditions, as well as to production changes. Car-lot totals the last few years have varied somewhat in line with the setback and recovery in business and employment. Actual market supplies this season probably have gained more than shown by the car-lot figures, because of the tendency toward increased shipments by motor truck.

Many of the large producing sections are along the seacoasts where growing conditions were fair to good. Tree fruits and potatoes may be somewhat below average production but the country got along quite well last year on light crops of these staple foods because buying has been slow to recover its usual activity. The 6 percent larger plantings of truck crops have helped to balance the light yields in the dry regions.

The first part of the truck crop season was cold and late in the East and dry in the central region. Improvement began in June and continued unevenly in July, although most producing sections were more or less short of moisture. More rain in August and September would bring along plenty of vegetables and would help the fruit supply by increasing the size.

Canning crop acreage gained 40 percent this year, which means probably 25 percent more canned goods, bringing the new canned output near the average of recent years. But with a light carry-over, the supply seems not likely to exceed a normal demand. Prices of most kinds of produce this fall should be fairly satisfactory to growers if general business picks up fast enough to encourage brisk demand.

So far this summer the price conditions have been uneven and by no means all profitable. Liberal early production of potatoes, cabbage, cauliflower, beans, carrots, and tomatoes resulted in long spells of low prices. Early potatoes declined in price to about half the 10-year average in some producing sections. Market prospects are rather more promising for the later crops of these vegetables. Most of the time shippers have done better this season with lettuce, celery, cantaloups, melons, cucumbers, eggplant, peas, and mid-season onions. Pacific coast producers had a long, fairly profitable spring and summer

market season. Early apples started high but average prices declined soon after arrival of much small, poor fruit. Peach markets also were weakened by competition of small, inferior, poorly keeping receipts, but large, fine fruit has sold quite well. Eastern peaches seem likely to be scarce after the South has finished shipping. Citrus fruits have sold well this summer and crop prospects are good. Foreign fruit markets opened with mixed price trends on western fruit, but made a fairly good start on California apples and pears.

#### ANOTHER LIGHT APPLE YEAR

This is the third year of short apple crops and the lightest of all, about one-fifth below the other two. Many Eastern, Southern, and Midwestern States have only one-third to one-half of a full crop, according to July indications. The far western group has about an average crop and will provide about half the country's market supply. Washington and Oregon have about as many apples as in most other years. Arkansas, with a record crop, is the great exception in the southern group, all the others showing light production. Virginia, West Virginia, and Michigan have decidedly off-year crops. New York and Pennsylvania report about half as many apples produced as in a good fruit year. New England States all show lightest apple production in many years.

Market quality of the crop is still to be determined. Many orchards have received better care and the weather has favored spray treatment, but lack of rain indicates small size in some sections. The early apple supply has shown wide variations in quality and size as indicated by the current price range of 50 cents to \$2.50 a bushel in New York and in some midwestern markets. Good lots have sold mostly from \$1 to \$1.50, which is fully as high as usual in recent short crop years.

The location of half the apple crop in the far West this year strengthens the position of good eastern fruit. Apple prices have been lower right along since 1929. Growers are hardly expecting a boom in the market but they are looking for a season of fair prices and a good premium on large sizes. Neither are the apple growers expecting too much of the market in Europe, having in mind the probable surplus in Canada and the various foreign tariffs, quotas, and restrictions. But the season began quite well with sales of California Gravensteins above \$3 a box in London and a fairly good market there for western pears and plums. Orchards of central Europe were rather hard hit by drought and foreign buyers may be willing at times to pay the prices necessary to obtain good American fruit.

The pear crop is about average and much better in the far West than in the East. Prices started low on small, early eastern kinds at 50 cents to \$1 a bushel in the central markets. Large, western pears began fairly well and many found a good market in Europe. Grape production is likely to be less than average and perhaps 10 percent below last year's crop. Winter killing in the East and drought in the West cut down the yield, but grapes stood the drought better than some other crops.

Southern peach growers had an active season, with a wide range of prices. Sizes ran small as a rule and there was a good premium on

large, fine fruit in northern markets. Small size and worm injury reduced the yield fully one-third in Georgia. It was expected that Elbertas from central and north Georgia would include much fine, large fruit. After the Georgia and Carolina crops are marketed and perhaps 1,500 cars from Arkansas, it is expected that the peach supply will be light unless high prices bring shipments from the large crop of the far West.

Blueberries and huckleberries have been arriving in about the usual liberal quantity. The cultivated kind is more and more a market feature, selling at double the price of the wild berries.

Orange shipments have been moving this summer at the rate of 1,100 to 1,200 carloads weekly. The recent supply is practically all from southern California. The quality is somewhat variable and competition of other fruits weakened the price range in late July. Lemon shipments of California were maintained in full volume in midsummer and the season's total to recent date was fully 10 per cent greater than that of last season. Unusually hot weather has favored active demand.

#### WATERMELON SUPPLY MODERATE

Supplies of watermelons have been moderate so far this season, the demand has been good, and market prices have been holding fairly well, although considerable weakness appeared in late July. Sales of car lots of medium to large sizes have at times exceeded \$500, equivalent to about 50 cents per melon, and the price unit basis has been 25 to 50 cents in most parts of the East and Middle West. Most recent sales have not exceeded \$300 a car lot, and much stock is selling in Georgia producing sections below \$100. Georgia has been shipping about the same quantities as in July last year, and California has been exceeding the rate of last season, but Texas shipments have been light and South Carolina melons have been moving to market slowly.

Western growers of cantaloups met some favorable conditions this year, owing to the early start of the market season, with good demand during long spells of hot weather in the East and Middle West and rather favorable conditions for quality and size in producing sections. Most southern stock has been only ordinary in quality and sold at rather low prices. Supplies of the honeydew class of melons have been moderate and prices have been well sustained most of the time.

#### POTATO POSITION SHOULD IMPROVE

The chief source of weakness in the summer potato market was the good yield in North Carolina, Virginia, Maryland, and New Jersey. About 27 million bushels produced in these States supplied about enough potatoes for the summer, and there was one-third additional production in other mid-season sections. The July output from Kansas and Missouri sections was of comparatively small importance, except to upset midwestern markets for awhile with heat damaged stock. Western shipments started early this year and found good markets in the Middle West.

Shipments from the early part of the main crop in the Upper Lakes region were expected to begin rather early, depending somewhat on market conditions. Overlapping of the large crop of New Jersey and

Long Island seems likely to hold back shipments from the eastern late crop. Shipment control in several mid-season eastern potato sections was intended to distribute the marketings more evenly and prevent extreme price changes. The main crop is doing fairly well and may improve further with rainfall and a long growing season.

Last year it was the crop improvement during the last two months of the season, which provided additional supplies, that helped upset potato growers' hopes of a high market in the spring. After all, it was a good winter market for potatoes as compared with other products and the present market indications are not unfavorable for the main part of this season.

The early potato market may overlap further this year and about all the Eastern and Midwestern States expect to have more potatoes, but all the important far Western States have smaller crops in view and possibly more losses to come from water shortage. The July forecast was for a total potato crop 5 percent less than average. Drought injury to date has partly offset the larger plantings. Production that is below average should find a fair market outlet as soon as the large mid-season crop is out of the way and speculative buying before the end of the main digging season might bring some price advances from lowest levels.

In the sweet potato region, the sections which mean most to the market because they produce a large share of the carlot shipping crop have rather less than average production. Prices started rather high, in line with closing prices of the old crop, but the price level was declining rapidly in late July with increasing supplies.

#### ONION PROSPECT INTERESTING

The main crop onion prospect is interesting because of uncertain and irregular growing conditions. Onions will stand dry weather as well as most crops but high winds and freezes in the early season and extreme hot weather coming later, cut down the producing acreage to 13 percent less than the 5-year average, and reports of further damage were expected. Some of the crop was backward on replanted land. Growing conditions were good in the East but not very good in most parts of the Middle West. The question is whether the conditions can improve enough to bring forward the late plantings and give size to the onions remaining in the rather poor stand reported in many parts of the central onion region. Large size would help make up for a thin and irregular stand of plants and would provide onions suitable for storage, but the present prospect is that the main onion crop will be a light one. Water shortage threatens production in the Mountain States. The price average, not far above \$1 per 50 pounds in late July, was a fairly high level as compared with prices of potatoes and cabbage at the time and was not far from the prices of the year before.

Cabbage prices have been low through most of the spring and summer market season. Shipments were about 50 percent larger than a year ago. Heavy production in the Gulf coast region brought prices unprofitable to producers during the height of shipments. Car-lot movement slackened in July but motor trucks brought cabbage from sections nearer the larger markets and kept prices at very moderate levels. Mid-season cabbage in the region from New Jersey westward was a good crop, especially in New Jersey and Maryland, resulting in prices lower in the East than in the Middle

West. The late crop of domestic short-keeping varieties has an acreage one-third more than that of last year and one-third more than average, but so much of the increase is in the dry part of the country that production may not be in line with acreage. July condition of the late crop was better than last year but poorer than average, and growers have had considerable trouble with dry weather effects, even in such leading eastern cabbage sections as in central New York, although Minnesota was the only State showing very poor growing conditions at that time.

Cabbage prices in late July were very low, especially in eastern markets, and the average was about half that of a year ago. Market prospect for the late crop is better than summer prices suggest because planting was not so liberal as for the early crop and growing conditions are generally less favorable than they were in the early cabbage sections.

Late cauliflower plantings are moderately less this year but still near the long-time average. The market seems fairly well supplied but unfavorable growing conditions have brought production estimates about 12 percent below average, and further crop difficulties are possible. Prices have been lower than usual but the very moderate supplies in prospect should result in good response to any rising trend of the market on cabbage or other competing lines of produce.

The tomato market has shifted from high to low repeatedly, according to sudden changes in supply. The underlying position is not strong because of the large acreage and fairly good growing condition at last report. The good crop in the East offsets poorer prospects elsewhere. There was quite a boom in planting cannery tomatoes in Illinois and other midwestern sections because many canneries were resuming operations after a shut-down of several years. Market supplies are expected to continue liberal for a month or more but continued dry weather might change the prospect.

G. B. FISKE,

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### THE DOMESTIC DAIRY MARKET SITUATION

The drought and its widespread effects are uppermost in the minds of dairy interests at this time. Curtailed production of practically all dairy products has occurred and the supply situation has changed materially from what earlier in the year was regarded as probable at this season. The whole picture has been clouded with uncertainties, making for more or less irregular markets, but with the exception of cheese, prices of manufactured dairy products have held fairly well, and fluid milk prices in numerous scattered areas have advanced.

The seriousness of prevailing unfavorable weather conditions as affecting dairy production generally this summer is clearly reflected in all the latest statistics relating to production. Estimated butter production in June of 181,759,000 pounds, the lowest for June since 1928, was 10.5 percent below that of June 1933, a net difference of more than 21 million pounds in that month alone. Thus, the first half of 1934 has passed, and every month has shown marked declines under last year, with the result that there is a total estimated decrease for the calendar year to July 1 of approximately 84 million pounds

under the corresponding period of last year. This is a 9.0 percent reduction. In four States only was June butter production greater than in 1933—Kansas, Washington, New York, and Vermont. In all other States there were decreases, the changes in the more important butter States being, Minnesota 14.5 percent, Iowa 7.3 percent, Wisconsin 11.8 percent, Nebraska 6.8 percent, Illinois 10.9 percent, Ohio 12.7 percent, and Michigan 9.1 percent. On the Pacific coast, Washington production in June was 15.4 percent heavier than last year, but California and Oregon were 4 percent and 2 percent lower respectively.

Throughout most of 1934, cheese production had been exceeding that of last year, but this trend was reversed in June, for cheese also dropped below 1933. The change was not great, 66½ million pounds produced this year compared with 67½ last year, but it is of interest in that it is a swing in the opposite direction. Total cheese production for the whole period, January to June, inclusive, however, is estimated as slightly above 1933.

Another important dairy product showing continued reduction is evaporated milk, estimated production in June of 210 million pounds being 10 million pounds below a year ago. Condensed milk shows an increase both in June and for the 6-month period. In terms of milk equivalents for the foregoing products combined, June production was 8.6 percent less than June 1933 and 8.1 percent less during the period January 1 to July 1.

Developments in the field of production are of obvious influence with respect to storage reserves, and here is found an element of strength. The movement of butter into storage has been relatively light this season, with the result that present stocks are far below the record stocks of last year. The last report of total United States creamery butter stocks covers July 1, upon which date there were in storage 70,249,000 pounds. On July 1 last year, stocks totaled 106,378,000 pounds. This alone is not a fair comparison, however, because there were excessive holdings last year, an all-time record peak having been reached on September 1. But even a comparison with the July 1 5-year average of 95,661,000 pounds reveals the stronger storage position this year. In the case of evaporated milk, the situation is also one of strength. Production has been adjusting itself throughout the entire year, and although stocks are much heavier than a year ago, it is to be remembered that stocks were very low in the summer of 1933, just the opposite of the butter storage situation. July 1 stocks of evaporated milk in manufacturers' hands totaled 153,149,000 pounds, which means that the June increase this year was less than 2 million pounds. The average June increase during the last 5 years was 48 million pounds. The very slight increase this year between June 1 and July 1 suggests an active June movement into trade channels, and this was the case, the estimated trade output for June being 206,770,000 pounds, compared with 152,497,000 pounds in May, and 161,468,000 pounds in June 1933. These figures do not measure the movement into actual consumption, since the stocks reported are those held by manufacturers only, and not total stocks in the country. Possibly one reason which may account for the recent activity is the proposed change in the existing evaporated milk marketing agreement, which if approved would eliminate the present maximum selling prices and open the

way for price increases, since evaporated milk markets are in a firm position. Under the marketing agreement both minimum and maximum prices are fixed. It is not proposed to change the provision regarding minimum prices. Reports on cheese stocks reveal an overabundant supply, American cheese stocks on July 1 totaling 79,554,000 pounds, compared with 67,456,000 pounds last year and a 5-year average of 65,232,000 pounds. Stocks of all other varieties exceed those of last year and in most cases exceed the 5-year average.

In the matter of prices, butter has shown comparatively little change the last 30 days. The wholesale price of 92 score at New York (July 25) is 25 cents. This is  $1\frac{1}{2}$  cents above a year ago,  $6\frac{1}{2}$  cents above 2 years ago, and the same as 3 years ago. It was in July last year that butter prices were for a short period the highest of any time during the year, after which they broke sharply, going to below 20 cents in August. In this connection, it may be said that the 1934 and 1933 butter situations are quite opposite in many respects. Cheese prices have broken sharply the last month. In Wisconsin the ruling price of Twins is now 10 cents per pound. A month ago, the price was  $12\frac{1}{2}$  cents, and a year ago 12 cents. The fact that cheese and butter prices were out of line with each other for a time, making cheese relatively more profitable than butter, may partly explain the stocks situation previously referred to. Fluid milk prices advanced in July in a number of markets, including several of major importance, namely, Chicago, Omaha, Des Moines, Cleveland, Akron, Detroit, and several up-State cities in New York. These increases applied to both producers and consumers, and were largely influenced by the drought.

There is no doubt that producers generally are hard put this year, for the hot, dry weather has caused pasture conditions to be only about half of normal, has cut down feed and other crop prospects, and curtailed prospective hay supplies. While the weather during the remainder of the summer is uncertain, conditions are so bad in some sections, that even with abundant rainfall, prospects are bad. What may happen between now and the winter feeding season is a matter of conjecture. The Federal program of relief for dairymen and other classes of farmers through cattle purchases, disease control, etc., is making headway, and in another few weeks the results of this will be more evident than at present. This should lend support to the whole dairy situation. One influence which at the moment would lend added support to markets would be increased consumption. The apparent consumption of manufactured dairy products taken together increased 7.7 percent in June over last year, but was less than in May.

L. M. DAVIS,

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## SUMMARY OF DAIRY STATISTICS

[Millions of pounds; 000,000 omitted]

## PRODUCTION

Product	June			January to June, inclusive		
	1934	1933	Per- cent change	1934	1933	Per- cent change
Creamery butter.....	182	203	-10.5	831	915	-9.1
Cheese.....	67	68	-1.6	268	266	+0.7
Condensed milk.....	22	20	+13.0	113	104	+9.1
Evaporated milk <sup>1</sup> .....	210	221	-4.4	883	992	-11.0
Total milk equivalent.....	5, 065	5, 543	-8.6	22, 629	24, 619	-8.1

## APPARENT CONSUMPTION

[including production, changes in stocks, and net imports or exports]

Creamery butter.....	139	132	+5.1	872	831	+4.9
Cheese.....	45	44	+2.9	286	281	+1.6
Condensed milk.....	15	10	+57.0	105	93	+13.2
Evaporated milk <sup>1</sup> .....	207	161	+28.1	923	970	-4.9
Total milk equivalent.....	3, 920	3, 639	+7.7	23, 738	22, 922	+3.6

<sup>1</sup> Case goods only.

## THE EGG AND POULTRY MARKET SITUATION

The egg markets have so far felt less strengthening effects from the drought than have many other agricultural products. Production has been curtailed sharply in some areas as unseasonably high temperatures and drought continue unabated, but the large stocks in storage accumulated earlier in the season tend to offset the influence of the shortened current supplies.

Considerable complaint is heard from receivers regarding the quality of fresh receipts, a large part of which is reported to show not only a large amount of heat deterioration but also certain undesirable characteristics attributed largely to range feeding. Shortage of home-grown feed, advancing grain prices, and the lack of normal vegetation in certain areas, is making it necessary for many farm flocks to forage for most of their feed. Supplies of good eggs have, therefore, been limited, but supplies of the lower grades have been fully ample and at times difficult to move. This condition has to some extent been reflected in the price situation, for quotations on the better grades have tended to move moderately higher while the lower grades have been inclined to drag.

The statistical position of the market is showing but little improvement as yet. Receipts at the principal terminal points continue smaller than those of a year ago, but appear to be more than ample for all immediate requirements. The most unsatisfactory feature is the failure of urban consumption to show any expansion in relation

to that of last year, the trade output of the four leading markets still being much smaller than that of a year earlier. For the month of June, the combined trade output of these markets was 12.2 percent smaller than in June last year, and about 12 percent smaller during the first 3 weeks of July. On the other hand, receipts were only 8 percent less in June and 9 percent less in July. This left a larger surplus for storage, and the increase in storage stocks at these points during that period was about 60,000 cases larger than during the same period last year.

The United States Cold Storage Report for July 1 showed a total of 8,963,000 cases of shell eggs in storage on that date, and 116,382,000 pounds of frozen eggs, the latter establishing a new record for that product. The combined case egg equivalent of both shell and frozen eggs was 12,288,000 cases, 19,000 cases less than the stocks on the same date last year, but 441,000 cases larger than the 5-year average. There appears to be a considerable uniformity of opinion that these stocks will prove to be fully ample for all requirements for the remainder of the year. It is generally conceded that stocks now in storage will do well to show a small merchandising profit.

No loss is anticipated, however, as the decrease under last year in the number of layers in farm flocks and the number of young chicks on farms give promise of a much lighter fall production. Data on the number of hens in farm flocks indicate a decrease of 2 percent on July 1 compared with the same date last year, while the number of chicks raised on farms this year is about 10 percent less. Commercial hatcheries report a decline of about 10 percent in their baby chick production for the first 6 months of this year in comparison with the same months last year.

Changes in the poultry markets in July were largely of a seasonal nature. Supplies of live heavy fowls were somewhat burdensome at times, causing a 1- to 2-cent drop, but toward the latter part of the month stocks seemed to be pretty well cleared up and the market slightly stronger. The market on live young chickens continued steady to firm on Plymouth Rocks, but generally weaker on Colored and Leghorns as receipts showed a considerable increase, while buying remained dull. The market was likewise well supplied with fresh-killed dressed heavy fowls for a short time and prices declined 1 cent before stocks were cleaned up. Supplies were in excess of current requirements, and a fair-sized volume was sent to storage on speculative buying. Trade as yet is a little uncertain about storing broilers, but recent price declines on the lighter sizes have apparently brought prices close to the storing level.

The market on frozen poultry has been very quiet, with trading volume insufficient to establish quotations on any class except roasters. These moving well at around 25 cents at Eastern points. Total stocks of frozen poultry of all kinds on July 1 amounted to 40,581,000 pounds, compared with 42,705,000 pounds on July 1, last year, and 41,235,000 for the 5-year average. These figures were considered as being generally satisfactory and as indicating a fairly successful conclusion of the 1933-34 storage deal. With some storing of fowl and broilers during the latter part of July, it is probable that the August 1 stocks will show an increase over those of July 1.

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## CASH INCOME FROM THE SALE OF FARM PRODUCTS AND RENTAL AND BENEFIT PAYMENTS TO FARMERS

## CASH INCOME FROM SALE OF FARM PRODUCTS

	Grains	Cotton and cotton-seed	Fruits and vegetables	All crops	Meat animals	Dairy products	Poultry and eggs	All live-stock and products	Total crops and live-stock
	<i>Mil-lion of dollars</i>	<i>Mil-lion of dollars</i>	<i>Mil-lion of dollars</i>	<i>Mil-lion of dollars</i>	<i>Mil-lion of dollars</i>	<i>Mil-lion of dollars</i>	<i>Mil-lion of dollars</i>	<i>Mil-lion of dollars</i>	<i>Mil-lion of dollars</i>
1933:									
July-----	133	26	57	250	94	95	30	239	489
Aug-----	68	26	51	186	91	92	26	225	411
Sept-----	67	85	70	267	83	88	26	204	471
Oct-----	56	135	78	344	88	86	30	208	552
Nov-----	50	108	52	281	90	81	44	224	505
Dec-----	42	70	52	206	76	81	41	202	408
1934:									
Jan-----	42	47	67	218	94	79	30	206	424
Feb-----	45	42	56	189	83	75	32	194	383
Mar-----	42	36	78	189	84	89	42	218	407
Apr-----	28	33	79	164	82	86	43	215	380
May-----	34	21	97	176	94	103	43	247	423
June-----	50	18	77	167	90	105	36	244	411
June:									
1924-----	75	23	109	235	153	153	56	378	613
1925-----	103	10	116	255	204	162	73	457	712
1926-----	107	31	132	301	229	168	82	497	798
1927-----	103	25	134	295	192	178	55	451	746
1928-----	68	25	103	219	202	183	69	487	706
1929-----	79	12	110	224	204	187	79	495	719
1930-----	60	18	109	215	188	165	60	431	646
1931-----	40	7	79	147	118	126	48	303	450
1932-----	17	6	53	90	68	92	31	198	288
1933-----	67	23	65	179	102	94	31	244	423
1934-----	50	18	77	167	90	105	36	244	411

## BENEFIT, RENTAL, AND DROUGHT-RELIEF PAYMENTS TO FARMERS NOT INCLUDED IN OTHER SOURCES OF INCOME

	Cotton	Tobacco	Wheat	Hogs <sup>1</sup>	Corn-Hog	Cattle <sup>2</sup>	Total <sup>3</sup>
	<i>Million of dollars</i>	<i>Million of dollars</i>	<i>Million of dollars</i>	<i>Million of dollars</i>	<i>Million of dollars</i>	<i>Million of dollars</i>	<i>Million of dollars</i>
1933:							
Aug-----	1	-----	-----	-----	-----	-----	1
Sept-----	49	-----	-----	24	-----	-----	73
Oct-----	51	1	-----	4	-----	-----	55
Nov-----	8	-----	2	-----	-----	-----	11
Dec-----	3	-----	16	-----	-----	-----	19
1934:							
Jan-----	32	-----	27	-----	-----	-----	60
Feb-----	14	-----	14	-----	-----	-----	28
Mar-----	3	-----	6	-----	-----	-----	9
Apr-----	1	4	2	-----	-----	-----	6
May-----	9	4	1	-----	2	-----	16
June-----	19	3	1	-----	5	1	29

<sup>1</sup> For pigs purchased under emergency hog reduction program.<sup>2</sup> For cattle purchased under drought-relief program.<sup>3</sup> Total of all benefit, rental, and drought-relief payments made during month may not check exactly with sum of payments on individual program.

It is planned to carry in future months a table similar to the foregoing, containing estimates of monthly cash income from the sale of farm products and of rental and benefit, and drought relief payments to farmers. In the upper part of the table, the estimates of total cash income from the sale of farm products and income from specified groups of farm products are carried for the last 12 months for which estimates are available. Estimates are also carried for the current month from 1924 to date by groups of commodities.

These estimates of cash income from marketings include only the income derived from the marketing of farm products through the regular channels and do not include rental and benefit payments or payments for the purchase of cattle by the Agricultural Adjustment Administration in drought areas.

In the lower part of the table, rental and benefit payments and payments for the purchase of cattle in drought areas are shown by commodities and by months, in millions of dollars. The total column of rental and benefit payments is the amount actually paid out by the Agricultural Adjustment Administration during the month and does not always check exactly with the sum of payments on individual commodities, due to the rounding of figures and to payments on some commodities of less than \$500,000.

### PRICES OF FARM PRODUCTS

Estimates of average prices received by producers at local farm markets based on reports to the division of crop and livestock estimates of this Bureau. Average of reports covering the United States weighted according to relative importance of district and State.

Product	5-year aver- age, August 1909- July 1914	July aver- age, 1910-14	July 1933	June 1934	July 1934	Parity price July 1934
Cotton, per pound-----cents--	12. 4	12. 7	10. 6	11. 6	12. 3	15. 1
Corn, per bushel-----do-----	64. 2	70. 1	55. 4	56. 0	59. 2	78. 3
Wheat, per bushel-----do-----	88. 4	86. 2	86. 9	78. 9	78. 8	107. 8
Hay, per ton-----dollars--	11. 87	11. 78	6. 99	9. 75	10. 18	14. 48
Potatoes, per bushel-----cents--	69. 7	81. 5	97. 9	64. 4	66. 9	85. 0
Oats, per bushel-----do-----	39. 9	40. 9	39. 1	38. 9	40. 6	48. 7
Beef cattle, per 100 pounds dollars--	5. 21	5. 33	3. 97	4. 00	3. 90	6. 36
Hogs, per 100 pounds-----do-----	7. 22	7. 25	3. 98	3. 52	3. 97	8. 81
Chickens, per pound-----cents--	11. 4	12. 2	10. 4	11. 2	11. 7	13. 9
Eggs, per dozen-----do-----	21. 5	16. 7	13. 1	13. 2	14. 1	<sup>1</sup> 20. 3
Butter, per pound-----do-----	25. 5	23. 3	21. 3	21. 7	21. 7	<sup>1</sup> 29. 2
Butterfat, per pound-----do-----	26. 3	23. 5	23. 0	22. 2	22. 1	<sup>1</sup> 29. 9
Wool, per pound-----do-----	17. 6	17. 5	22. 4	21. 9	21. 4	21. 5
Veal calves, per 100 pounds dollars--	6. 75	6. 74	4. 62	4. 52	4. 45	8. 24
Lambs, per 100 pounds-----do-----	5. 87	6. 09	5. 24	6. 37	5. 64	7. 16
Horses, each-----do-----	142. 00	142. 00	72. 00	81. 00	79. 00	173. 00

<sup>1</sup> Adjusted for seasonality.

## GENERAL TREND OF PRICES AND WAGES

[1910-14=100]

Year and month	Whole-sale prices of all commodities <sup>1</sup>	Industrial wages <sup>2</sup>	Prices paid by farmers for commodities used in <sup>3</sup> —			Farm wages	Taxes <sup>4</sup>
			Living	Production	Living-production		
1910	103		98	98	98	97	
1911	95		100	103	102	97	
1912	101		101	98	99	101	
1913	102		100	102	101	104	100
1914	99		102	99	100	101	101
1915	102	101	107	104	105	102	110
1916	125	114	124	124	124	112	116
1917	172	129	147	151	149	140	129
1918	192	160	177	174	175	176	137
1919	202	185	210	192	200	206	172
1920	225	222	222	174	194	239	209
1921	142	203	161	141	150	150	223
1922	141	197	156	139	146	146	224
1923	147	214	160	141	149	166	228
1924	143	218	159	143	150	166	228
1925	151	223	164	147	154	168	232
1926	146	229	162	146	153	171	232
1927	139	231	159	145	151	170	238
1928	141	232	160	148	153	169	239
1929	139	236	158	147	152	170	241
1930	126	226	148	140	144	152	238
1931	107	207	126	122	124	116	218
1932	95	178	108	107	107	86	189
1933	96	171	109	108	109	80	
1933							
April	88	165			101	73	
May	92	169			102		
June	95	172	102	104	103		
July	101	176			107	78	
August	102	176			112		
September	103	179	117	114	116		
October	104	177			116	86	
November	104	175			116		
December	103	176	117	114	116		
1934							
January	105	179			117	81	
February	107	179			119		
March	108	184	121	119	120		
April	107	183			120	88	
May	108	183			121		
June	109	182	122	121	122		

<sup>1</sup> Bureau of Labor Statistics. Index obtained by dividing the new series 1926=100, by its pre-war average, 1910-14, 68.5.

<sup>2</sup> Average weekly earnings, New York State factories. June 1914=100.

<sup>3</sup> Revised. These indexes are based on retail prices paid by farmers for commodities used in living and production reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.

<sup>4</sup> Revised. Index of farm real-estate taxes, per acre, 1913=100.

## GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base, August 1909-July 1914=100]

Year and month	Index numbers of farm prices							Prices paid by farmers for commodities bought <sup>1 2</sup>	Ratio of prices received to prices paid <sup>2</sup>
	Grains	Fruits and vegetables	Cotton and cotton-seed	Meat animals	Dairy products	Poultry products	All groups		
1910-----	104	91	113	103	100	104	103	98	105
1911-----	96	106	101	87	97	91	95	102	93
1912-----	106	110	87	95	103	101	99	99	100
1913-----	92	92	97	108	100	101	100	101	99
1914-----	103	100	85	112	100	105	102	100	102
1915-----	120	83	78	104	98	103	100	105	95
1916-----	126	123	119	120	102	116	117	124	94
1917-----	217	202	187	173	125	157	176	149	118
1918-----	226	162	245	202	152	185	200	175	114
1919-----	231	189	247	206	173	206	209	200	104
1920-----	231	249	248	173	188	222	205	194	106
1921-----	112	148	101	108	148	161	116	150	77
1922-----	105	152	156	113	134	139	124	146	84
1923-----	114	136	216	106	148	145	135	149	90
1924-----	129	124	211	109	134	147	134	150	89
1925-----	156	160	177	139	137	161	147	154	95
1926-----	129	189	122	146	136	156	136	153	89
1927-----	128	155	128	139	138	141	131	151	87
1928-----	130	146	152	150	140	150	139	153	91
1929-----	121	136	145	156	140	159	138	152	91
1930-----	100	158	102	134	123	126	117	144	81
1931-----	63	98	63	93	94	96	80	124	65
1932-----	44	71	46	63	70	80	57	107	53
1933-----	62	80	64	59	69	74	63	109	58
1933									
April-----	47	66	49	57	59	56	53	101	52
May-----	62	68	65	65	63	62	62	102	61
June-----	63	74	69	66	65	55	64	103	62
July-----	94	103	84	66	71	67	76	107	71
August-----	81	120	71	63	72	67	72	112	64
September---	78	101	69	62	76	77	70	116	60
October-----	68	86	71	63	78	94	70	116	60
November-----	74	81	76	59	78	105	71	116	61
December-----	73	83	77	52	76	95	68	116	59
1934									
January-----	75	92	82	55	73	82	70	117	60
February-----	78	101	93	64	77	77	76	119	64
March-----	78	108	94	65	79	72	76	120	63
April-----	77	105	94	63	76	70	74	120	62
May-----	78	105	90	63	76	69	74	121	61
June-----	89	108	94	64	76	69	77	122	63
July-----	92	103	99	66	77	73	80	122	66

<sup>1</sup> These index numbers are based on retail prices paid by farmers for commodities used in living and production, reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.

<sup>2</sup> Revised.

## THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, and sheep receipts at primary markets; butter receipts at five markets, compiled by this Bureau.

Year and month	Receipts					
	Wheat	Corn	Hogs	Cattle	Sheep	Butter
Total:	<i>1,000 bushels</i>	<i>1,000 bushels</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000 pounds</i>
1920----	332, 091	209, 079	42, 121	22, 197	23, 538	402, 755
1921----	416, 179	338, 216	41, 101	19, 787	24, 168	468, 150
1922----	413, 106	378, 598	44, 068	23, 218	22, 364	526, 714
1923----	386, 430	271, 858	55, 330	23, 211	22, 025	545, 380
1924----	482, 007	278, 719	55, 414	23, 695	22, 201	587, 477
1925----	346, 381	223, 604	43, 929	24, 067	22, 100	574, 489
1926----	362, 876	234, 873	39, 772	23, 872	23, 868	572, 935
1927----	455, 991	241, 245	41, 411	22, 763	23, 935	581, 592
1928----	495, 450	335, 149	46, 527	21, 477	25, 597	577, 929
1929----	437, 681	264, 934	43, 715	20, 387	26, 834	602, 665
1930----	402, 398	247, 483	40, 774	19, 166	29, 808	584, 196
1931----	420, 758	172, 514	39, 537	19, 617	33, 022	609, 611
1932----	255, 042	150, 064	35, 030	17, 333	29, 303	610, 785
1933----	219, 744	258, 905	40, 369	16, 994	27, 139	663, 221
June:						
1920----	19, 458	24, 788	3, 709	1, 879	1, 640	57, 504
1921----	28, 480	34, 463	3, 579	1, 580	1, 850	64, 905
1922----	18, 402	35, 281	3, 776	1, 759	1, 700	78, 361
1923----	18, 217	14, 610	4, 204	1, 629	1, 426	75, 970
1924----	16, 877	17, 392	4, 296	1, 673	1, 550	77, 487
1925----	20, 465	17, 381	3, 507	1, 746	1, 603	74, 172
1926----	18, 505	23, 912	3, 143	1, 871	1, 913	75, 931
1927----	18, 346	26, 361	3, 775	1, 732	1, 816	75, 756
1928----	13, 883	18, 345	3, 548	1, 558	1, 913	69, 650
1929----	23, 785	20, 818	3, 275	1, 451	1, 752	69, 511
1930----	17, 457	17, 464	3, 215	1, 459	2, 230	70, 529
1931----	28, 099	13, 709	2, 854	1, 540	2, 587	74, 154
1932----	11, 312	5, 463	2, 545	1, 338	2, 428	71, 712
1933----	25, 662	34, 237	3, 361	1, 449	2, 091	73, 116
1933						
July-----	36, 704	46, 260	2, 871	1, 456	2, 228	64, 057
August-----	25, 496	11, 591	<sup>1</sup> 3, 924	1, 669	2, 752	63, 877
September--	21, 833	21, 435	<sup>1</sup> 6, 494	1, 652	2, 911	54, 844
October-----	15, 042	23, 285	2, 521	2, 178	3, 268	50, 801
November---	10, 764	22, 005	3, 207	1, 203	2, 064	47, 955
December---	10, 910	16, 308	3, 332	901	1, 774	49, 226
1934						
January-----	8, 278	14, 669	4, 231	1, 643	1, 818	45, 882
February----	9, 743	14, 192	2, 728	1, 407	1, 456	40, 888
March-----	9, 208	13, 694	2, 468	1, 500	1, 570	50, 520
April-----	7, 830	7, 236	2, 674	1, 592	1, 838	47, 206
May-----	11, 780	7, 870	3, 076	1, 809	2, 114	61, 499
June-----	19, 918	9, 490	2, 684	1, 215	1, 810	63, 812

<sup>1</sup> Includes hogs purchased on Government account from Aug. 23 to Sept. 29, 1933.

## GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

Production, consumption, and movements	June 1933	May 1934	June 1934	Month's trend
<i>Production</i>				
Pig iron, daily (thousand tons)	42	66	64	Decrease.
Bituminous coal (million tons)	25	28	26	Do.
Steel ingots (thousand long tons)-----	2, 564	3, 353	3, 016	Do.
<i>Consumption</i>				
Cotton by mills (thousand bales)-----	697	520	363	Do.
Unfilled orders, Steel Corporation shipments of finished steel products (thousand tons)-----	604	745	985	Increase.
Building contracts in 37 Northeastern States (million dollars)-----	103	134	127	Decrease.
Hogs slaughtered (thousands)	2, 621	2, 272	1, 934	Do.
Cattle slaughtered (thousands)-----	959	1, 209	1, 225	Increase.
Sheep slaughtered (thousands)-----	1, 167	1, 014	918	Decrease.
<i>Movements</i>				
Bank debits (outside New York City) (billion dollars)	13	14	15	Increase.
Carloadings (thousands)-----	2, 926	2, 442	3, 078	Do.
Mail-order sales (million dollars)-----	39	51	46	Decrease.
Employees, New York State factories (thousands)-----	294	357	351	Do.
Average price 25 industrial stocks (dollars)-----	134. 53	131. 17	135. 70	Increase.
Interest rate (4-6 months' paper, New York) (percent)-----	. 88	1. 00	1. 75	Do.
Retail food price index (Department of Labor) <sup>1</sup> -----	100	112	112	Unchanged.
Wholesale price index (Department of Labor) <sup>1</sup> -----	95	108	109	Increase.

<sup>1</sup> 1910-14 basis.

Data in the above table, excepting livestock slaughter and price indexes, are from the Survey of Current Business, Bureau of Foreign and Domestic Commerce, United States Department of Commerce.